

English Translation of the Japanese  
NATIONAL HEALTH INSURANCE LAW

(Law No. 60 of April 1938 as  
amended through June 1948)

22 October 1948

The Social Security Division

PHW GHQ SCAP







## NATIONAL HEALTH INSURANCE LAW

of 1 April 1938, as amended on 6 March 1941,  
21 February 1942, and 30 June 1948.

### Chapter I. General Rules

Article 1. The object of National Health Insurance is to provide the insured, on the basis of mutual assistance, with insurance benefits to meet the risks of sickness, injury, maternity and death.

Article 2. The administration of National Health Insurance shall be the responsibility of the cities, towns, and villages. ("City, town or village," as used in this law, includes "Special District").

Article 2-2. A National Health Insurance Association (hereinafter referred to as the Association) or other nonprofit corporate juridical person may administer National Health Insurance, in case the city, town, or village does not administer National Health Insurance.

An Association shall use the phrase "National Health Insurance Association" (Kokumin Kenko Hoken Kumiai) in its title.

An organization that is not a National Health Insurance Association shall not have the right to use the phrase "National Health Insurance Association" (Kokumin Kenko Hoken Kumiai) in its title.

Article 2-3. The term "the insurer" in this law includes both the city, town, or village which administers National Health Insurance and the Association or corporate juridical person which administers National Health Insurance as provided in the preceding two articles.

Article 3. The rights to collect insurance contributions and other charges provided by this law or to obtain a refund thereof, and the right to receive insurance benefits shall lapse by prescription when two years have passed.

With regard to interruption or suspension of prescription, the Civil Code provisions referring thereto shall be applicable with the necessary modifications.

Notification according to Ministerial Ordinance that insurance contributions or other charges have become due to the insurer as prescribed in the National Health Insurance Law shall constitute an interruption of prescription notwithstanding the provision of Article 153 of the Civil Code.

Article 4. Stamp duty shall not be imposed on documents concerning National Health Insurance.

Article 5. Cash and benefits in kind which are given as insurance benefits shall not be subject to taxes or other public imposts.



Article 6. The right to insurance benefits cannot be transferred or attached.

Article 7. The insurer or those eligible to get insurance benefits may without cost obtain from census officials or their deputies certificates attesting to the census registration of the insured or one formerly insured.

Article 7-2. In case any person fails to pay his insurance contributions and other charges provided by this law, the city, town, or village which administers National Health Insurance shall deal with him in accordance with the provisions of the Local Autonomy Law, Article 225, paragraphs 1, 3, 4, 5, and 10.

Article 8. Persons failing to pay insurance contributions and other charges provided by this law shall be dealt with, upon an Association's request, by the city, town, or village in the same way as persons failing to pay city, town, or village taxes. In this case an Association shall deliver to the city, town, or village four percent of the amount collected.

In case the city, town, or village fails to take action within 30 days from the day of the request in accordance with the preceding paragraph, or fails to complete action within 90 days, an Association may do so with the approval of the prefectural governor. In such case the provisions of Article 225, paragraphs 1, 3, and 4 of the Local Autonomy Law are applicable with the necessary modifications.

In order of priority among charges to be collected, those specified by paragraph 1 of this article shall come next to charges owed to the city, town, village, or other administrative units corresponding thereto, but shall precede other public imposts.

## Chapter II. Operations

Article 8-2. An insurer shall provide the insured with medical care benefit for sickness and injury, maternity care benefit for delivery, and funeral benefit for death; but in case special circumstances exist, an insurer need not provide maternity care benefit or the funeral benefit.

An insurer may provide other insurance benefits in addition to those provided in the preceding paragraph as designated by Ministerial Ordinance.

An insurer that is under special circumstances may pay medical care expenses, delivery expenses or funeral expenses instead of providing the care or services prescribed in paragraph 1 of this article, in accordance with city, town or village ordinance, the constitution of an Association, or the regulations concerning National Health Insurance (hereinafter referred to as the "regulations") of a corporate juridical person.

Article 8-3. When insurers, who regularly would provide medical care, maternity care, and funeral and burial service, find it difficult to do so, or deem it necessary, they may pay medical care, maternity, or funeral and burial expenses instead of providing these respective benefits.



Article 8-4. Insurers shall appoint the purveyors of medical care benefits, upon the purveyor's application, from among licensed doctors of medicine and dentistry, pharmacists, and others who administer medical care.

Purveyors of medical care benefits may resign their position as provided by Ministerial Ordinance.

Article 8-5. Insurers shall decide the amount of the medical care fee on the basis of the standard medical care fee set for National Health Insurance by the Social Insurance Medical Fee Calculating Committee. This shall be done after consulting with the purveyors of medical care benefits and with the approval of the prefectural governor.

In case an Association or a corporate juridical person administering National Health Insurance wants to obtain the approval provided in the preceding paragraph, the application for the approval shall be submitted to the prefectural governor through the mayor of the city, town, or village concerned.

Article 8-6. In case of failure to appoint the purveyors of medical care benefit or to determine the amount of the medical care fee in accordance with the preceding two articles, an insurer shall appeal to a National Health Insurance Appeals Board for mediation.

Article 8-7. A Social Insurance Medical Fee Calculating Committee shall be established in order to set the standard amount of the medical care fee for National Health Insurance.

The Minister of Welfare shall appoint an equal number of persons to the Social Insurance Medical Fee Calculating Committee from among representatives of the insurers, the insured, representatives of licensed doctors of medicine and dentistry, and the public interest.

The said representatives of the insurers and licensed doctors of medicine or dentistry shall be appointed from members of respective groups upon recommendation of the organization to which they belong.

In addition to the provisions of the three preceding paragraphs, the necessary matters respecting the Committee shall be provided by Cabinet Order.

Article 8-8. An insurer may collect part of the expense for medical care benefit from the person who receives the care (if the beneficiary is not the head of a household, then from the insured head of the household to which the beneficiary belongs).

In the preceding paragraph the phrase "insured head of the household" means "the member who is the head of the household" in the case of a General National Health Insurance Association and in the case of a Special National Health Insurance Association it means "the member of the said Association".



Article 8-9. An insurer may provide necessary facilities for medical care benefit, maternity care benefit and the improvement and maintenance of health of the insured.

Article 8-10. An insurer shall collect insurance contributions from its insured who are heads of households (in the case of a General National Health Insurance Association from its members who are heads of households and in the case of a Special National Health Insurance Association from its members), to cover the operational expenditures.

An insurer can reduce, or waive insurance contributions or give additional time to pay to those who are under special circumstances.

Article 8-11. The kind, scope, term, and extent of insurance benefits, method of collecting insurance contributions, reduction and waiver of insurance contributions, and other necessary matters regarding the insurance benefits and contributions shall be decided by the city, town or village ordinance, the constitution of the Association, or the regulations of the corporate juridical person concerned.

### Chapter III. The City, Town, or Village Which Administers National Health Insurance

Article 8-12. When a city, town, or village intends to administer National Health Insurance, it shall make the necessary ordinance respecting National Health Insurance.

In making, revising or abrogating any ordinances, in accordance with the preceding paragraph, the approval of the prefectural governor shall be required.

Article 8-13. The city, town, or village ordinance on National Health Insurance shall include the following articles supplementary to the provisions of this Law:

1. Articles concerning the qualification of the insured.
2. Articles concerning insurance benefits.
3. Articles concerning insurance contributions.
4. Articles concerning important assets and public establishments.
5. Articles on other important matters.

Article 8-14. The insured in the city, town, or village which administers National Health Insurance shall be the heads of households and those belonging to their households in the respective area. However, this article shall not apply to those who come under one of the following categories:



1. Persons insured under Health Insurance or Seamen's Insurance, except those insured under the Seamen's Insurance Law, Article 20, paragraph 1.
2. Persons insured under a Special National Health Insurance Association.
3. Persons who are under special circumstances as specified in the city, town, or village ordinances.

When the head of a household who has no qualification to be insured, according to the provis~~io~~n in the first paragraph of this article, has any person in the same household qualified to be insured, the ~~head~~ of the household shall be deemed insured as head of a household in regard to the application of the provisions of Article 8-8, and Article 8-10.

Article 8-15. A city, town, or village which administers National Health Insurance may provide by city, town, or village ordinance a fine not exceeding 2,000 yen, for those who evade payment of insurance contributions and other charges.

Article 8-16. A city, town, or village which administers National Health Insurance shall decide by resolution of the assembly of city, town, or village, the budget or revenue and expenditure of National Health Insurance, the disposition of reserve funds, and the acquisition and disposition of important assets and public establishments, as provided by the city, town, or village ordinance, and report them to the prefectural governor.

Article 8-17. Each city, town or village administering National Health Insurance shall set up a special account in order to manage revenue and expenditure of National Health Insurance.

Article 8-18. A National Health Insurance Advisory Council (hereinafter referred to as the "Council") shall be organized in each city, town or village which administers National Health Insurance to study and advise on matters concerning the management and operation of National Health Insurance.

The members of a Council, numbering not less than five, shall be appointed by the mayor of the city, town, or village, with the consent of the assembly, from among representatives of the insured, licensed doctors of medicine or dentistry, and the public interest.

Article 8-19. Each Council shall investigate matters concerning the operation of National Health Insurance at the request of the mayor of its city, town, or village administering National Health Insurance and it shall also make such recommendations to him on its own initiative as it considers important.

Whenever a Council receives a communication from an insured of the city, town, or village administering National Health Insurance or from any other interested party, the Council shall deliberate on it and shall forward it to the mayor accompanied by a statement of its own opinion.



Article 8-20. When a request for investigation has been made according to the preceding article, paragraph 1, the Council shall meet to study such request and make a prompt reply.

Regardless of the provision of the preceding paragraph a Council shall hold regular monthly meetings, barring exceptional circumstances, for the purpose of investigating matters affecting the operation of National Health Insurance, and shall report important findings to the mayor of the city, town, or village.

Article 8-21. At the end of each fiscal year each Council shall make a report on the subjects considered during the past year as well as other important matters, including its recommendations, to the mayor of city, town, or village.

Upon receiving the report mentioned in the foregoing paragraph the mayor of the city, town or village shall submit it to the assembly of the city, town, or village and publish it.

Article 8-22. In addition to the matters covered by the provisions of this Law, other necessary matters respecting a Council shall be provided by Cabinet Order.

#### Chapter IV. National Health Insurance Association

##### Section I. General Rules

Article 9. An Association may be one of the following two types:

- a. A General National Health Insurance Association
- b. A Special National Health Insurance Association.

An Association shall be a juridical person.

Article 10. The members of a General National Health Insurance Association shall be the heads of households and adults belonging to same households in the districts; however, a Special National Health Insurance Association shall be organized by and limited in membership to persons who are engaged in the same line of enterprise or trade.

Persons who are not qualified to be insured in accordance with the provision of Article 14 shall not be members of an Association; however, in case some one else in the household is qualified to be insured, this rule shall not apply.

The area of a General National Health Insurance Association shall cover one or more cities, towns, or villages; however, in case of special circumstances such rule shall not be applied.



Article 11. In order to establish an Association, a constitution for the Association shall be drawn up by fifteen or more promoters, having the consent of half or more of those qualified to be members. Upon resolution by the assembly of the city, town, or village concerned, the promoters shall apply for approval of the prefectural governor; however, in the case of a Special National Health Insurance Association, the resolution of the assembly of the city, town or village concerned shall not be required.

An Association shall come into existence when it obtains the approval of establishment.

Article 12. In the constitution of an Association, the following matters shall be provided:

1. The title and name of the Association.
2. The location of the Association.
3. The district of the Association (in the case of a Special National Health Insurance Association, the scope of membership).
4. The conditions of affiliation and withdrawal from membership.
5. The conditions of obtaining and losing the qualifications of the insured.
6. Other important matters.

Article 13. When a General National Health Insurance Association is established, all persons who are qualified to be members shall become members of the Association.

Regardless of the provision of the preceding paragraph, any person who is under special circumstances, as specified in the constitution of the Association, shall not become a member.

Article 14. An Association shall insure its members and those belonging to their households, but this rule shall not apply to any of the following persons:

1. Persons insured under Health Insurance or Seamen's Insurance, except those insured under the Seamen's Insurance Law, Article 20, paragraph 1.
2. Those insured under a Special National Health Insurance Association.
3. Those who are under special circumstances as specified in the constitution of the Association.



Regardless of the preceding provisions an Association may as specified in its constitution, bar en bloc the membership of all persons belonging to the household of a member.

Article 15. In accordance with its constitution, an Association may collect penalties from those who infringe the said provisions of the Associations' constitution.

Article 16. If not inconvenient, an Association may permit those who are not insured to utilize the facilities of the Association.

In accordance with its constitution the Association may demand fees from those who utilize the facilities of the Association.

Article 17. In addition to the provisions of this Law, the administration of an Association, maintenance and utilization of its properties, and other necessary matters respecting the Association shall be provided by Ministerial Ordinance.

Articles 18 through 24. Deleted.

## Section 2. Administration

Article 25. Each association shall organize an Association Board.

An Association Board shall consist of a chairman and Board members.

Board members shall be elected by, and from among, the members of the Association, and the chairman shall be elected by, and from among, the members of the Association Board.

The fixed number of Board members shall be specified in the constitution of the Association, based on the following standards:

1. Associations having a membership of 2,000 or less  
-----22 members
2. Associations having a membership of more than 2,000  
and less than 5,000 ----- 26 members
3. Associations having a membership of more than 5,000  
and less than 10,000 ----- 32 members
4. Associations having a membership of more than 10,000  
and less than 20,000 ----- 36 members
5. Associations having a membership of more than 20,000  
and less than 50,000 ----- 40 members



6. Associations having a membership of more than 50,000 and less than 150,000 ----- 46 members
7. Associations having a membership of more than 150,000 to less than 200,000 -----50 members
8. Associations having a membership of more than 200,000 to less than 300,000 ----- 54 members
9. Associations having a membership of more than 300,000 ----- 58 members

Article 25-2. The term of office of Board members shall be two years from the date on which they were elected.

The term of office of those Board members who have filled vacant posts shall be the remaining term of their predecessors.

If there is a change in the fixed number of Board members, the term of office of the newly elected members shall be the remaining term of those already members of the Association's Board.

Article 25-3. A person coming under any of the following categories shall not be qualified to be a member of an Association Board.

1. A minor.
2. An incompetent person or quasi-incompetent person.
3. A person who has been sentenced to penal servitude or confinement and who has not yet completed his term or been forgiven the remainder thereof.

Article 26. An Association Board shall decide the following matters:

1. The budget of revenue and expenditure.
2. The report on operations and settlement of accounts.
3. The assumption of new obligations or the giving up of rights not specified in the budget of revenue and expenditure.
4. The disposition of reserve funds and other important assets.
5. Loans to the Association.
6. Amendments to the constitution of the Association.
7. Other important matters.



Resolutions concerning matters designated in items 1 and 4, 5, and 6 shall require the approval of the prefectural governor through the mayor of the city, town, or village concerned. However, in the case of a Special National Health Insurance Association, the approval need not pass through the mayor of the city, town, or village concerned.

Article 27. An Association Board may inspect the documents pertaining to operations of the Association; demand reports from the directors; and examine, the business administration, the way in which resolutions are carried out, and the expenditures.

An Association Board may elect a committee from among its members and entrust to the committee the exercise of functions which are under the authority of the Association Board.

Article 28. An Association shall have directors numbering not less than five.

Directors shall be elected by the Association Board from among the members of the Association, but in case special circumstances exist, persons who are not members may be appointed.

Regardless of the preceding provisions, the mayor of the city, town, or village concerned or an officer authorized by the mayor or a licensed doctor of medicine or dentistry, authorized by the mayor, shall be included among the directors of a General National Health Insurance Association unless special circumstances exist.

Article 28-2. The term of office of a director shall be two years.

Article 29. One of the directors shall be the chief of directors.

The chief of directors shall be elected by, and from among, the directors.

The chief of directors shall represent the Association.

In case the chief of directors is absent, one of the other directors shall act on behalf of the chief of directors as provided in the constitution of the Association.

Article 30. When an Association Board is not organized or does not resolve the matters which should be resolved, the directors may deal with the matters which should be resolved under instruction of the prefectural governor through the mayor of the city, town, or village concerned. However, in the case of a Special National Health Insurance Association, the instruction need not pass through the mayor of the city, town or village concerned.

Article 31. When urgent action is necessary with respect to matters which should be resolved by the Association Board, and the Association



Board is not organized or if there is no time to call a session of the Board, the directors may make the decisions.

Article 32. In case the directors take measures, according to the provisions of the preceding two articles, they must report the action to the Association Board at its next meeting.

Article 33. An Association may, in accordance with the provisions of its constitution, have consultants or advisors beside the chief of directors and the directors.

### Section 3. Division, Amalgamation and Dissolution

Article 34. When an Association is to be divided, amalgamated, or dissolved, the Association Board shall so resolve and obtain the approval of the prefectural governor after obtaining the resolution of the assembly of the city, town, or village concerned. However, in the case of a Special National Health Insurance Association, such resolution of the assembly of the city, town, or village shall not be required.

Article 35. An Association which continues to operate after amalgamation, or an Association which is organized by amalgamation, shall succeed to the rights and duties of the Association which ceases operation as the result of amalgamation.

An Association which is organized by division shall succeed to a portion of rights and duties of the Association which ceased to exist by the division or of the Association which continues to exist after the division.

The limits of the rights and duties to be succeeded, according to the preceding provision shall be defined at the same time as the resolution of division, and approved by the prefectural governor through the mayor of the city, town, or village concerned. However, in the case of a Special National Health Insurance Association, the matter need not pass through the mayor of the city, town, or village concerned.

Article 36. An Association shall be regarded as continuing in operation even after its dissolution as far as the object of liquidation is concerned.

Article 37. When an Association dissolves, the directors shall be the liquidators.

When there are no such liquidators, as prescribed above, the prefectural governor shall appoint liquidators. The same shall apply in case the liquidators are unavailable.

The liquidators shall represent the Association and have authority to do everything necessary for the purpose of liquidation.



In regard to the method of liquidation and the disposal of the properties, the approval of the prefectural governor shall be obtained after obtaining the resolution of the assembly of the city, town or village concerned. However, in the case of a Special National Health Insurance Association, such resolution of the assembly of the city, town, or village shall not be required.

When the prefectural governor deems it necessary, he may order a change in the method of liquidation and the disposal of the properties or may dismiss the liquidators.

#### Chapter V. A Corporate Juridical Person Which Administers National Health Insurance

Article 37-2. When a nonprofit corporate juridical person desires to administer National Health Insurance, it shall make the regulations and obtain the approval of the prefectural governor upon obtaining the resolution of the assembly of the city, town, or village concerned.

The prefectural governor may give the approval provided in the preceding paragraph in case the nonprofit corporate juridical person fulfills both conditions stated below:

1. Its district as provided in the articles of incorporation consists of one, two, or more city, town or village areas.
2. Its membership includes four fifths or more of the heads of households in its district.

The provision of the first paragraph shall be applicable when the corporate juridical person which administers National Health Insurance changes existing regulations pertaining to, or discontinues, National Health Insurance.

Article 37-3. The regulations of a corporate juridical person administering National Health Insurance shall include the following articles supplementary to the provisions of the Law:

1. Provisions concerning the qualifications of the insured.
2. Provisions on insurance benefit.
3. Provisions on insurance contributions.
4. Provisions on other important matters.

Article 37-4. Persons insured by a corporate juridical person administering National Health Insurance shall be the members of the corporate juridical person and those who belong to their households, heads of households in the district where the said juridical person is established, and



those who belong to their households. But this rule shall not be applicable to those who come under any of the following categories:

1. Persons insured under Health Insurance or Seamen's Insurance, except those insured under the Seamen's Insurance Law, Article 20, paragraph 1.
2. Persons insured under a Special National Health Insurance Association.
3. Persons who are under special circumstances as provided in the regulations.

When the head of a household who has no qualification to be insured, according to the proviso in the preceding paragraph of this article, has any person in the same household qualified to be insured, the head of the household shall be deemed insured as the head of a household in regard to the application of the provisions of Articles 8-8 and 8-10.

Article 37-5. The corporate juridical person which administers National Health Insurance shall set up a special account for the management of revenue and expenditure of National Health Insurance.

Article 37-6. The corporate juridical person administering National Health Insurance shall resolve the following matters in the general membership meeting or an equivalent meeting prescribed by its regulations:

1. The budget of revenue and expenditure.
2. The report on operations and settlement of accounts.
3. The assumption of new obligations or the giving up of rights not specified in the budget of revenue and expenditure.
4. The disposition of reserve funds and other important assets.
5. Loans (excepting short term loans).
6. Other important matters.

The resolutions mentioned in items 1, 4 and 5 above shall be invalid unless approved by the prefectural governor through the mayor of the city, town, or village concerned.

Article 37-7. When a corporate juridical person administering National Health Insurance, according to the provision of Article 37-2, paragraph 1, has its permission of administering National Health Insurance revoked or has received the permission to discontinue operation, according to the provision of Article 37-2, paragraph 3, or is being dissolved, the representatives or the liquidators of the corporate juridical person shall obtain the resolution of the assembly of the city, town, or village concerned with respect



to the disposal of assets and the settlement of the accounts of National Health Insurance and, thereupon, shall obtain the approval of the prefectural governor.

#### Chapter VI. A National Health Insurance Federation

Article 38. Insurers may establish a National Health Insurance Federation (hereinafter referred to as a "Federation"), in order to achieve their object cooperatively.

A Federation shall use the phrase "National Health Insurance Federation" (Kokumin Kenko Hoken Dantai Fengokai) in its title.

An organization that is not a National Health Insurance Federation shall not have the right to use the phrase "National Health Insurance Federation" (Kokumin Kenko Hoken Dantai Fengokai) in its title.

A Federation shall be a juridical person.

Article 39. When insurers intend to establish a Federation, they shall draw up a constitution for the Federation and obtain its approval by the prefectural governor.

A Federation shall be officially organized when it obtains the approval for establishment.

Article 40. In the constitution of a Federation the following matters shall be provided:

1. The object and operations of the Federation.
2. The title and name of the Federation
3. The location of the Federation's office.
4. Provisions on affiliation and withdrawal.
5. Provisions on allotment of expenses.
6. Other important matters.

Article 40-2. The prefectural governor may order insurers to affiliate with a Federation.

Article 41. A Federation shall have a General Assembly.

The General Assembly shall consist of the representatives and a chairman. Each of the insurers which are members shall send one representative.

The chairman of the General Assembly shall be elected from among the representatives.



Article 41-2. A Federation shall have three or more directors.

The General Assembly shall elect the directors from among the representatives.

The directors shall be elected from among the representatives at the General Assembly, but in case special circumstances exist, persons who are not representatives may be elected.

One of the directors shall become the chief of directors.

The chief of directors shall be elected from among the directors.

Article 41-3. The term of office of a director shall be two years.

Article 42. Articles 8-9, 15, 16, 17, 26, 27, 29, paragraph 3 and 4, Articles 30 to 37 shall apply to the Federation, but the approval of the city, town, or village, in accordance with provision of Article 37, paragraph 4, and the submittal through the mayor of the city, town, or village concerned, according to the provisions of Articles 26, 30 and 35, paragraph 3, shall not be required.

## Chapter VII. Supervision and Subsidy

Article 43. The Welfare Minister and the prefectural governor may order the insurers or the Federation to make reports on their operations and properties; may inspect their condition; and may order the amendment of the city, town, or village ordinances, constitution of the Association, or regulations of the corporate juridical person; and may give other orders or dispositions necessary for the supervision.

Whenever, according to the provision of the preceding paragraph, reports are required from, and orders or dispositions are given to, the General National Health Insurance Associations or corporate juridical persons administering National Health Insurance, it shall be done through the mayor of the city, town or village concerned.

Article 44. When the officers of an Association, corporate juridical person administering National Health Insurance, or a Federation are unavoidably absent or neglect to perform their duties, the prefectural governor may appoint a government official, a local public body official, or any other qualified person for the performance of these duties.

In the case provided for in the preceding paragraph, the expense necessary for the performance of these duties shall be borne by the Association, corporate juridical person administering National Health Insurance, or by the Federation, respectively.



Article 45. Whenever a prefectural governor considers that the resolution of the assembly of a city, town, or village administering National Health Insurance; or the resolutions of an Association, or corporate juridical person administering National Health Insurance, or a Federation, or the act of an officer of an Association are against the law, the city, town, or village ordinance, the constitution of the Association, the regulations of the corporate juridical person, or other orders, or against the dispositions of the Minister of Welfare or the prefectural governor, or that they hurt the public good or are likely to hurt it, or if he finds that the continuation of the operation is difficult, judging from the condition of operations and assets, he may invalidate the resolutions of the city, town, or village assembly, dismiss officers, order the dissolution of the Association or the Federation or cancel the permission given, according to Article 37-2, paragraph 2, to the corporate juridical person administering National Health Insurance.

Article 46. Whenever a corporate juridical person administering National Health Insurance ceases to fulfill either of the two conditions stipulated in Article 37-2, paragraph 2, the prefectural governor may cancel the permission given according to paragraph 1 of the same article.

Article 47. The National Treasury may, within the limit of the budget, grant subsidies in accordance with Ministerial Ordinance for the expenditure necessary for the operation of National Health Insurance.

The prefecture, city, town, or village may grant subsidies for the expenditure necessary for the operation of National Health Insurance.

### Chapter VIII. Appeal, Mediation and Lawsuit

Article 48. Any person who is dissatisfied with a decision with regard to insurance benefits, may appeal to a National Health Insurance Appeals Board, and when dissatisfied with the decision of a National Health Insurance Appeals Board, he may institute a lawsuit in an ordinary court.

The appeal mentioned in the preceding paragraph shall be regarded as a judicial suit in connection with the interruption of prescription.

Article 49. Deleted.

Article 50. When a dispute arises with respect to the contract regarding insurance benefits between the insurer or a Federation and purveyors of medical care benefit or their organizations, a National Health Insurance Appeals Board, if requested by either interested party, may mediate the question.

Article 51. Whenever a National Health Insurance Appeals Board receives a request for mediation, as provided by Article 8-6, it shall use its offices



to negotiate a settlement concerning the purveyors of medical care benefit or the amount of the medical fee.

Article 52. Any person who is dissatisfied with the amount of contributions or other assessments levied under this Law, with the action taken in collecting such amounts, or with the procedure as provided in Article 7-2 and Article 8, may appeal to a National Health Insurance Appeals Board.

Article 52-2. A National Health Insurance Appeals Board shall be established in each prefecture.

Article 52-3. A National Health Insurance Appeals Board shall consist of 3 persons representing the insured, 3 persons representing the insurers, and 3 persons representing the public interest, and each member shall be appointed by the prefectural governor.

In case of mediation, a National Health Insurance Appeals Board shall consist of the members mentioned in the preceding paragraph and, in addition, five or less temporary members shall be appointed by the prefectural governor from among the purveyors of medical care benefits.

Article 52-4. The term of office of members of a National Health Insurance Appeals Board shall be three years and one third of the members shall be appointed annually.

The person appointed to fill a Board vacancy shall complete the term of office of his predecessor.

The temporary members shall be discharged at the conclusion of the case to which they were summoned.

Article 52-5. There shall be a chairman of a National Health Insurance Appeals Board elected by the members from among those members who represent the public interest.

In case of a chairman's absence, an acting chairman shall be elected in the manner prescribed in the preceding paragraph.

Article 52-6. A National Health Insurance Appeals Board shall not commence proceedings or make a decision on an appeal without the presence of at least one member representing the insured, one member representing the insurers, and one member representing the public interest.

A National Health Insurance Appeals Board shall not commence proceedings or make a decision on a mediation without the presence of at least one member representing the insured, one member representing the insurers, one member representing the public interest, and one member representing the temporary members.

Article 52-7. A decision of a National Health Insurance Appeals Board on any appeal or mediation shall be made by a majority of the members and the temporary members present. In a case of a tie, the chairman shall make the decision.



Article 52-8. Any person who is dissatisfied with a decision with regard to payment of benefits or with matters referred to in Article 52 and wishes to appeal, shall do so to a National Health Insurance Appeals Board whose jurisdiction is that of the area where the office of the insurer, who made the decision or action, is located.

The appeal mentioned above may be made through the insurer who made the decision or the action.

Mediation shall be conducted by a National Health Insurance Appeals Board under whose jurisdiction the insurer, who is the party concerned, or the office of the Federation, is located.

When it is found that the appeal or mediation belongs to a different jurisdictional area, a National Health Insurance Appeals Board shall transfer the appeal or mediation to the proper district and shall notify the applicant to that effect.

Article 52-9. An appeal to a National Health Insurance Appeals Board may be made either in writing or orally.

Article 52-10. A National Health Insurance Appeals Board shall hold a hearing promptly after receiving an appeal.

In case, however, it is difficult for the claimant to attend the hearing, a National Health Insurance Appeals Board may hold such hearing on the basis of written statements in lieu of said procedure.

Article 52-11. When a National Health Insurance Appeals Board deems it necessary for the purpose of appeals or mediations, it may require the person responsible for the award of insurance benefits, the claimant, the parties concerned in a dispute, or other interested parties or witnesses to submit evidence or attend the hearing for questioning and may authorize a doctor to make medical examinations and report his findings.

The prefectural governor shall grant traveling expenses, daily allowance and hotel charge prescribed by Cabinet Order, to persons who attend a hearing at the request of a National Health Insurance Appeals Board according to the provision of the preceding paragraph.

Article 52-12. The person responsible for the award of insurance benefits, the claimant, the parties concerned in a dispute and other interested parties and witnesses may express their opinion or submit documentary evidence to a National Health Insurance Appeals Board.

In case the claimant considers it necessary, he may bring an advisor to attend the hearing with him.

In case any interested party cannot attend the hearing, he may authorize a representative to attend in his place.



Article 52-13. In case a certain limited portion of the case has been settled, a National Health Insurance Appeals Board may make the decision respecting that part first.

Article 52-14. The decision of a National Health Insurance Appeals Board shall be in written form with explanations.

Article ~~52~~<sup>15</sup>-15. A National Health Insurance Appeals Board shall, after conclusion of a mediation, publish its full account unless both or either party involved indicate otherwise.

Article 52-16. If the applicant dies before conclusion of his case, the right of appeal shall be transferred to his successor.

Article 52-17. For the purpose of a lawsuit regarding a decision made by an Association with regard to the matters referred to in Articles 48 and 52, the said Association shall be regarded as a government office.

Article 52-18. No member of a National Health Insurance Appeals Board or person who is working or has worked for a National Health Insurance Appeals Board shall disclose a secret which he learned while performing his duty.

Article 53. An appeal shall be made or lawsuit instituted within 60 days from the date of receiving a written decision, provided that with respect to an appeal, this time limit may be extended for good cause as determined by the National Health Insurance Appeals Board concerned.

With respect to the institution of a lawsuit as prescribed in the preceding paragraph, Article 158, paragraph 2, and Article 159 of the Code of Civil Procedure shall be applicable.

Article 53-2. Matters of an administrative nature concerning National Health Insurance Appeals Boards may be provided by Cabinet Order.

#### Chapter IX. Miscellaneous Rules

Article 54. In case the approval of a city, town, or village ordinance is given, according to the provision of Article 3-12, paragraph 2, any General National Health Insurance Association within the area of the city, town, or village shall be deemed to have obtained the approval of its dissolution, and any corporate juridical person administering National Health Insurance shall be deemed to have obtained permission to discontinue administering National Health Insurance as provided in Article 37-2, paragraph 3.

In case the area of a General National Health Insurance Association covers two or more cities, towns, or villages, and the approval of a city, town, or village ordinance is given to one city, town, or village according to the provision of Article 3-12, paragraph 2, such General National Health Insurance Association shall be deemed to have obtained



the approval of dividing itself according to the district boundaries of the city, town, or village which has obtained said approval.

In case the area of a corporate juridical person administering National Health Insurance covers two or more cities, towns, or villages, and approval to administer National Health Insurance is given to the city, town, or village, according to the provisions of Article 8-12, paragraph 2, such juridical person shall be deemed to have obtained permission to cease administering National Health Insurance as provided in Article 37-2, paragraph 3.

Article 54-2. Whenever the Minister of Welfare or the prefectural governor deems it necessary with respect to insurance benefits, he may have a qualified national government official or local public body official inspect medical treatment records and account books. On such occasion, the government official or local public body official who performs the inspection must carry an identification card to show who he is, and must produce it upon demand by the persons concerned.

Article 55. When an Association or corporate juridical person administering National Health Insurance, or a Federation is spread over two or more prefectures, the prefectural governor, within the meaning of this Law, shall be the Minister of Welfare.

Article 56. Whenever a government official, local public body official, or one who formerly held such a position reveals without good cause the private or business secrets of licensed doctors of medicine or dentistry which he learned when inspecting medical treatment records and account books, according to the provision of Article 54-2, he shall be subject to a jail sentence of not more than six months or a fine of not more than 5,000 yen.

Whenever other officials reveal without good cause the secrets which they learned while on duty, the preceding rule shall apply.

Persons who reject, disturb, or evade the inspection by the authorized government official or local public body official, as provided in Article 54-2, shall be subject to a jail sentence or a fine of not more than 5,000 yen.

Article 57. Whenever an Association, a corporate juridical person administering National Health Insurance, or a Federation, disobeys the orders provided in Article 37, paragraph 5, or in Article 43, or reject or disturb the disposal, its officials or liquidators shall be subject to a fine of not more than 5,000 yen.



## Supplementary Rules

Article 1. This Law shall take effect on 1 July 1948.

Article 2. An Association established according to Article 11, paragraph 1, of the Law in force prior to this revision, shall be deemed an Association established according to Article 11 of the Law as revised.

In case a corporate juridical person authorized by Article 54 of the Law in force prior to this revision still exists when this Law takes effect, it shall be deemed as having obtained permission as provided in Article 37-2, paragraph 1, of this Law as revised.

Article 3. The members of an Association Board, the chairman of an Association Board, the chief of directors, and the directors shall be elected or appointed not later than 90 days following the date of the enforcement of this Law.

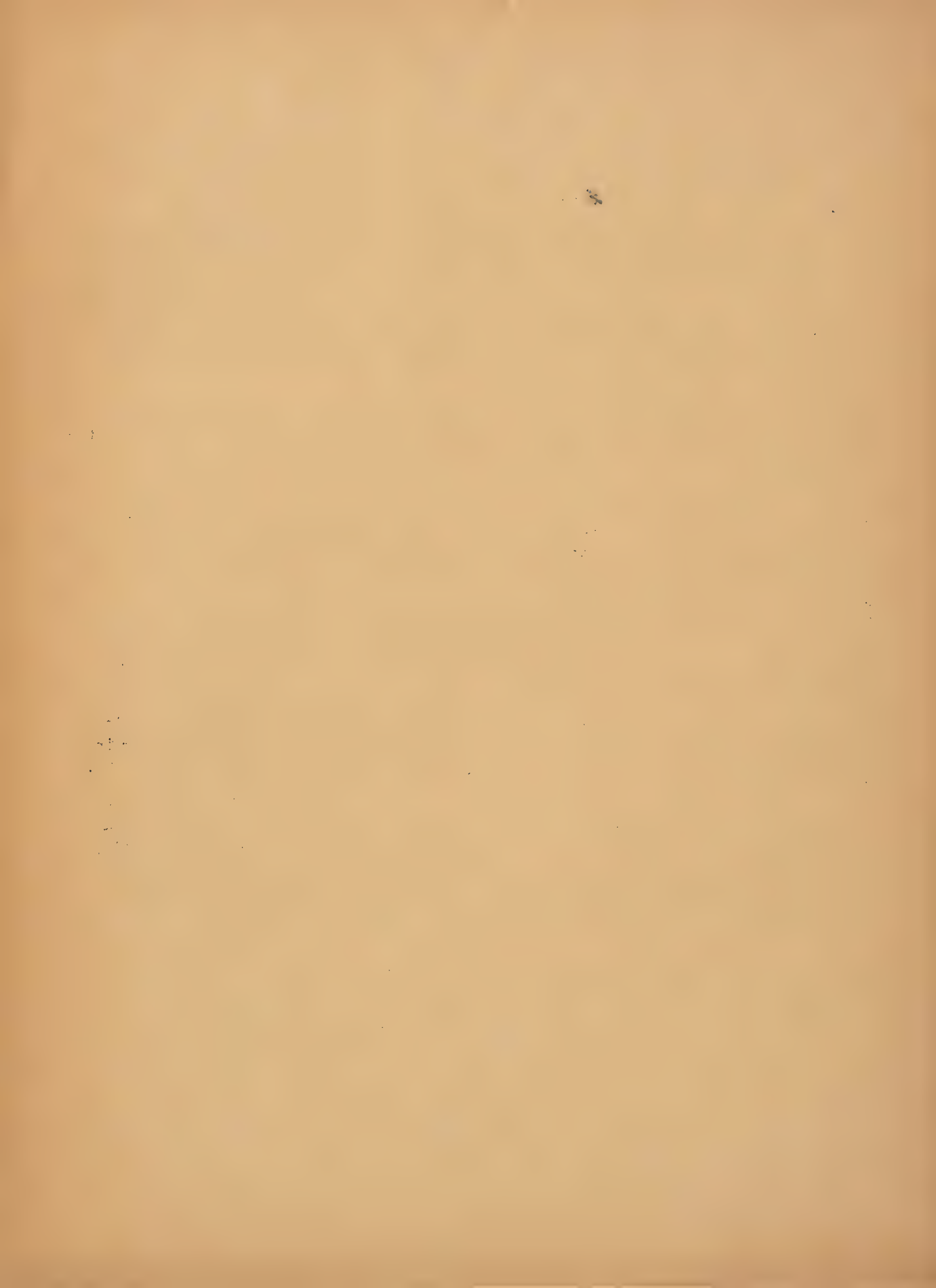
As soon as the successors are elected or appointed as provided in the preceding paragraph, the incumbents of those positions, namely the members of an Association Board, the chief of directors, and the directors shall automatically lose their posts.

Article 4. The purveyors of medical care benefits for an Association or corporate juridical person administering National Health Insurance and the amount of medical care fees shall remain as before until such time when they are decided by Articles 8-4 and 8-5.

Article 5. An existing National Health Insurance Appeals Board and its officials at the time of enforcement of this Law shall become a corresponding organ and officials provided by this Law and with the same legal personality.

Article 6. The enforcement of this Law shall not preclude any society or organization existing or which may be established in the future from conducting operations like those mentioned in Chapter 2; however, such societies or organizations shall not use in their title the phrases "National Health Insurance Association" (Kokumin Kenko Hoken Kumiai) and "National Health Insurance Federation" (Kokumin Kenko Hoken Dantai Fengokai).





GUIDE FOR REVIEW OF AN ORGANIZATION  
ADMINISTERING NATIONAL HEALTH INSURANCE (NHI)

1. Identity of Organization.

- a. Name: \_\_\_\_\_ Location: \_\_\_\_\_
- b. Type: Municipal (City\_\_\_\_, Town\_\_\_\_, Village\_\_\_\_): Association (General\_\_\_\_, Special\_\_\_\_, other Juridical Person\_\_\_\_). If the organization is a Special Association or other Juridical Person, indicate the industry concerned: \_\_\_\_\_.
- c. Date of formation\_\_\_\_\_. Predecessor, if any: \_\_\_\_\_

2. Coverage Data:

- a) Number of contributors\*\_\_\_\_\_, their dependents\_\_\_\_\_, total insured\_\_\_\_\_
- b) Number of residents in area\_\_\_\_ and \_\_\_\_% that are insured under N.H.I.
- c) Number of doctors in area\_\_\_\_ and \_\_\_\_% that are used by the NHI organization.
- d) Number of nurses in area\_\_\_\_ and \_\_\_\_% that are used by the NHI organization.

3. Administrative Bodies

- a) Check the type or types of administrative bodies used by the organization, enter the frequency of regular meetings of such bodies, i.e., "weekly", "monthly", etc., the number of members, and the number of members representing the interests indicated:

Type of Administrative Body	In Effect	Meeting Frequency	Number of Members	Number Insured	Representing Medical	Representing Public
City, Town, or Village Assembly.....	_____	_____	_____	_____	_____	_____
City, Town, or Village Advisory Council _____	_____	_____	_____	_____	_____	_____
Association Board.....	_____	_____	_____	_____	_____	_____
Association Directors.....	_____	_____	_____	_____	_____	_____
Other (Enter type).....	_____	_____	_____	_____	_____	_____

4. Service and Medical Personnel

- a) Enter services and personnel provided by the organization:

Type of Service	Check if Provided	Percent of Benefit Cost Allowed	Limit of Days Allowed	Number of Personnel	Type of Personnel	Number Full Time	Number Other
Medical care _____	_____	_____	_____	_____	Doctors	_____	_____
Dental.....	_____	_____	_____	_____	Dentists	_____	_____
Maternity..	_____	_____	_____	_____	Pharmacists	_____	_____
Funeral....	_____	_____	_____	_____	Nurses	_____	_____
Other.....	_____	_____	_____	_____	PH Nurses	_____	_____

- b) If additional services and personnel are planned enter type and expected date of availability: \_\_\_\_\_

5. Facilities

- a) Enter information on medical facilities provided by the organization:

Type of Facility	Number Used	Med. Service Capacity		Dental Service		Other Service	
		In-patients	Out-patients	Yes	No	Yes	No
NHI Hospitals	_____	_____	_____	_____	_____	_____	_____
NHI Clinics..	_____	_____	_____	_____	_____	_____	_____
NHI Other....	_____	_____	_____	_____	_____	_____	_____
Other than NHI (not owned but used by the organization)							
Hospitals..	_____	_____	_____	_____	_____	_____	_____
Clinics....	_____	_____	_____	_____	_____	_____	_____
Other.....	_____	_____	_____	_____	_____	_____	_____

- b) If additional facilities are planned enter type and expected date of availability: \_\_\_\_\_

(\*) Head or heads of household \_\_\_\_\_



6. Financial Affairs and Operations

- a) Contributions: Current amount per contributor\*, highest ¥\_\_\_\_, lowest ¥\_\_\_\_, average ¥\_\_\_\_; how often collected, monthly\_\_\_\_, quarterly\_\_\_\_, semi-annually\_\_\_\_, annually\_\_\_\_, other period\_\_\_\_: amount in arrears at end of last completed month ¥\_\_\_\_.
- b) Income: Total for preceding fiscal year ¥\_\_\_\_; percent of total received during preceding fiscal year from, contributions \_\_\_\_%, partial payment of benefits by the insured \_\_\_\_%, municipal subsidy \_\_\_\_%, prefectural subsidy \_\_\_\_%, national subsidy \_\_\_\_%, other sources \_\_\_\_%.
- c) Expenses: Total for preceding fiscal year ¥\_\_\_\_; percent of total expense for preceding fiscal year for medical care \_\_\_\_%, maternity \_\_\_\_%, nursing \_\_\_\_%, funeral \_\_\_\_%, health facilities \_\_\_\_%, administration\_\_\_\_%, other \_\_\_\_%.
- d) Amount of assets ¥\_\_\_\_, liabilities ¥\_\_\_\_, and reserve fund¥\_\_\_\_ of the organization at the end of preceding fiscal year.
- e) Is the organization subject to periodic audit by outside interests? \_\_\_\_\_. If so, what type of audit is made and by whom? \_\_\_\_\_
- f) Have monthly reports been submitted promptly to Gun and Prefectural offices?\_\_\_\_\_ What is the latest monthly report available? Give Date\_\_\_\_\_

7. Payments for Medical and Other Services

- a) What is the amount allowed for medical fee point? ¥\_\_\_\_.
- b) Enter amount of monthly salary paid to full time doctors ¥\_\_\_\_, nurses ¥\_\_\_\_.
- c) What other remuneration, if any, is received by full time doctors\_\_\_\_ full time nurses\_\_\_\_\_.
- d) How are other part time, contractual, etc., doctors paid?\_\_\_\_\_

8. Complaints

- a) Enter the major types of complaints received from members regarding:  
(1) Benefits\_\_\_\_\_  
(2) Contributions\_\_\_\_\_  
(3) Other issues\_\_\_\_\_
- b) Is there a prescribed formal procedure established for filing and giving consideration to complaints and appeals?\_\_\_\_\_.Is it used?\_\_\_\_\_.

9. Informational Service.

- a) What methods are used by the organization in giving information to insured and others?\_\_\_\_\_

10. Contact Information

- a) Date of contact \_\_\_\_\_.
- b) Persons contacted and their titles \_\_\_\_\_.
- c) Has a previous contact been made with this organization? \_\_\_\_ If so when \_\_\_\_\_.
- d) Present contact made by \_\_\_\_\_.

Remarks:

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DUTIES OF MILITARY GOVERNMENT PUBLIC HEALTH NURSES

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PUBLIC HEALTH AND WELFARE TECHNICAL BULLETIN

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PH&amp;W GHQ SCAP APO 500

December 1948

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Note: This Bulletin is for the guidance of Military Government Public Health Nurses only, and will not be translated into Japanese nor will the English translation be given to the Japanese.

### 1. General

The Public Health Nurse of a Military Government Region or Prefecture Team in Japan will work with the Public Health Officer. She will be responsible for the guidance of all the nursing and midwifery education and services. This is a tremendous task and will require the full time of the Public Health Nurse. Her work will depend largely on reports received from Japanese officials and from inspections made in the field to observe operations.

She will exercise surveillance over the Japanese Government's public health activities, as they pertain to nurses, to ascertain if the directives of the Supreme Commander are being complied with.

SCAP, by memoranda, gives the Japanese Government directives, and by command letter directs the Eighth Army to perform certain functions. Memoranda to the Japanese Government from SCAP are numbered consecutively and have the short title of SCAPIN. Only a part of the SCAPINs pertain to public health matters. These directives are on file in all Military Government offices. SCAP may instruct the Japanese Government by memoranda from staff sections to a particular ministry or ministries, or may issue verbal instructions to the ministries concerned. In the event that surveillance is required, for instructions which are given by either of these two methods, appropriate directions for exercising the surveillance will be issued.

Eighth Army may issue Operational Directives to subordinate units amplifying SCAPINs or the letters of instruction that it receives from SCAP. These are numbered consecutively and have the short title OD. Corps headquarters may issue additional instructions amplifying ODs received from the Eighth Army. On purely technical subjects, SCAP sometimes issues Technical Bulletins. These have the short title TB-PH-. Translations, when given to Japanese technical agencies, are for the specific purpose of establishing a common basis of understanding between Occupation Force and Japanese technical personnel.

**INCL.1**



A Weekly Bulletin is published by the Public Health and Welfare Section, GHQ, SCAP which is mailed directly to Military Government units. The purpose of this publication is to keep Military Government units informed of public health and welfare activities at the national level.

The Military Government Public Health Nurse will be responsible for the guidance and supervision of the nurses and midwives in their various programs. Many times this will mean demonstration and teaching, as the Japanese nurses and midwives do not have the same understanding of nursing as we do in America. Nursing and midwifery in Japan is not developed in accordance with western standards. Curriculum planning and ward organization is entirely new therefore, there is a marked need for guidance in these fields. The National Association will need guidance in its many detailed programs.

## 2. Objectives

The objectives of the public health program will be attained through the medium of Japanese agencies, using Japanese personnel and supplies. Surveillance of the nursing and midwifery program will be exercised by the Military Government Public Health Nurse to insure compliance with directives issued by the Supreme Commander to the Japanese Government. The Military Government Public Health Nurse supervises the execution of the Supreme Commander's instructions. She gives the local Japanese Government advice on technical procedures, and additional instructions when necessary to meet special or emergency situations.

The objectives to be attained are:

- a. To provide for the nursing and midwifery programs to the extent of preventing disease and unrest in the civil population.
- b. To establish or re-establish nursing standards to help prevent the occurrence of disease and to assure that the civilian population is not a health hazard to the Occupation Forces.
- c. To establish and maintain the essential nursing and health activities at a level necessary to meet the requirements of the indigenous population and to prevent disease and suffering which would interfere with the accomplishment of the occupation mission.
- d. To report to higher echelon as directed by instructions concerning recurring reports and such special information as is necessary to keep higher echelons factually informed.
- e. To utilize Japanese material and personnel in all instance where possible. United States supplies will be used only when Japanese supplies are not available to provide a minimum standard of medical care and treatment on a disease and unrest basis.

### 3. Specific Duties

a. Surveillance. Frequent detailed inspections of Japanese health agencies and schools of nursing and midwifery. These inspections will be for the purpose of:

- (1) Determination of compliance with SCAP directives and policy.
- (2) Determination that health agencies and nursing services are functioning so that minimal requirements of the occupation are met.
- (3) Giving technical advice when needed or requested.
- (4) Maintaining liaison between various interested sections of the Military Government Team.
- (5) Effecting coordination between various departments of the prefectural and local governments when necessary.

#### b. Receiving and Rendering Reports.

- (1) Keeping the Senior Military Government Officer informed as to the health situation and nursing service requirements.
- (2) Preparation of recurring and special reports as required by higher authority.
  - (a) Special reports, as necessary.
  - (b) Monthly reports.
- (3) Receiving, analyzing and acting where necessary on reports received from Japanese agencies.
  - (a) Analysis of reports.
  - (b) Passing reports on to higher authority.
  - (c) Acting on reports received from Japanese agencies or recommending action to higher authority as indicated by the particular situation.

c. Planning. Plans for public health measures will consist in review of Japanese measures for:

- (1) The immediate future. With the means available to local governmental officials plan for the suppression of diseases known to occur seasonally in the locality by:



(a) Coordinating with overall national health programs as announced by higher headquarters. This will include dissemination of educational media: training of nurses, midwives and public health nursing leaders; and procurement of budget necessary to carry out specific programs.

(b) Adapting overall national nursing programs to suit and meet the needs of local conditions.

(2) Long range planning which is designed to ultimately produce an adequate and self-sufficient nursing, midwifery and public health service. This will be accomplished by planning to establish or reestablish schools of nursing and midwifery, public health courses and educational programs to meet the needs of the Health Centers, hospitals and other agencies requiring services of professional personnel.

#### 4. Supply Procedures

Authorized supplies will be requisitioned by the Public Health Officer through channels.

NATIONAL HEALTH INSURANCE  
(Kokumin Kenko Hoken)

PUBLIC HEALTH AND WELFARE TECHNICAL BULLETIN

PH&W GHQ SCAP APO 500

December 1948

1. Introduction

This is the first in a series of technical bulletins to be issued by the Social Security Division, Public Health and Welfare Section, SCAP, concerning Japanese social insurance laws and ordinances, giving specific information on the administration of such laws and providing suggested guide sheets for the convenience of the Military Government Teams.

Attached (Incl 1) is a translated copy of the National Health Insurance Law, a suggested guide (Incl 2) for reviewing a National Health Insurance Association and general information for use with this guide. Do not confuse National Health Insurance with Health Insurance. They are separate and distinct programs.

2. Summary of program

The National Health Insurance Law, enacted in April 1938, provides for a health insurance program for persons not protected under any of the other existing health insurance laws. Basically it applies to self-employed persons and those employed in small establishments.

Its greatest application, therefore, is in rural communities and small towns rather than in industrial areas where the bulk of the people are workers in private or government employment and who, together with their families, are insured under Health Insurance, Seamen's Insurance or Mutual Aid Societies. For the most part, National Health Insurance covers farmers and fishermen and their families.

The administration of National Health Insurance prior to July 1948, although supervised and subsidized by national and prefectural governments, was chiefly by independent associations established in most of the towns and villages of Japan. Originally the organization of such associations was on a voluntary basis



but under war-time government pressure the Law was amended effective 1942, giving the governor of a prefecture power to order the formation of an association whenever he deemed it necessary. They were but loosely federated in each prefecture.

Most of the associations were of the "general" type, open to all eligible residents of the community. A few were "special" associations open only to members of a given trade, such as policemen's, barber's or candy-maker's associations. These were usually prefecture-wide. Most of the associations were created especially and exclusively to operate National Health Insurance, but in many communities other organizations of farmers and fishermen, or other juridical persons, administered National Health Insurance in addition to their other functions. These were called "substitute" associations. Immediately following the war years a great number of the associations ceased operations.

On 1 July 1948 amendments to the National Health Insurance Law granted cities, towns, and villages the initial right to administer National Health Insurance as one of their municipal functions. The amendments further provided that if the municipality did not administer its own program it could authorize an existing association, a reactivated association, a new association -- general or special -- or a juridical person to administer the program in its area. Thus a transition is now occurring in many areas to conform with such amendments.

Apart from government subsidies this program is financed entirely by the insured members. The head of the household pays regular contributions covering himself and his family. These are fixed by the municipality, association, or other juridical person administering National Health Insurance and vary in calculation in respective areas. The common factors used in the calculation of contributions are: insured's income, insured's wealth, and number of dependents in insured's family. In addition to paying his assessed contributions, the head of the household must pay in most cases one-half the cost of treatment required by himself or by members of his family.

The National Health Insurance program is designed to provide all aspects of medical care. In the more active associations this includes dental and maternity care; however, the associations in poorer areas merely provide the services of a public health nurse. On the other hand, associations with hospitals or clinics of their own frequently offer comprehensive services.



### 3. Current problems

Major problems hinge around a lack of funds and residual attitudes concerning the operation of the associations during the war years. Many of the associations ceased operations because the members were either unwilling or unable to pay the contributions. Many doctors refused to cooperate because of low medical treatment fees which failed to keep in step with the inflation and too long delays in payments. Probably the most serious obstacle to successful operations in many smaller communities has been the lack of medical facilities and personnel. Moreover, insured and doctors alike, though agreed on the need for group insurance as practically the only way to assure minimum medical care for all, resented the extent of government pressure to which they had been subject during the war.

### 4. Major objectives

Present efforts aim at the consolidation and gradual expansion of the program on a financially sound and democratically administered basis. To this effect encouragement should be given with respect to discussions of the National Health Insurance problems in the local assemblies, especially with a view to resumption of National Health Insurance operations where they have been suspended.

Operating associations should be encouraged to levy adequate contributions in relation to service provided and conclude agreements with local physicians for treatment of the insured on terms which are mutually satisfactory. As an incentive and aid in these efforts, recognition should be given regarding the national government's preparedness to subsidize associations at the rate of one half of their administrative expenses, one third of public health nurses salaries and expenses, one third of retainer fees of the contract doctors and one third of the cost of construction of hospitals and clinics. Appeals and fair hearing, representative advisory council and adequate informational service activities should be stressed.



